(c) when was the benefit of custom duty reduction on the bulk drug passed on to consumers by reducing the prices of the formulations;

(d) whether it is a fact that the benefit of reduction of custom duty retained by the producers; and

(e) if so, who is responsible for such a state of affairs and what steps have been taken to fix responsibility?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) The Hon'ble Members are perhaps referring to the drug 'Ceftazidime'. The custom duty on this drug was reduced in July, 1991, however, the actual import at 0 per cent duty took place only in November, 1991 after necessary amendment in the notification.

(b) and (c) Before July, 1991 the Ceftazidime Injection in the finished form was being imported at 0 per cent custom duty and only after withdrawing custom duty on bulk drug Ceftazimidime, the manufacture of Ceftazidime Injection has been started in the country. To the extent information is available, the prices of formulations based on bulk drug Ceftazidime before and after Custom duty concession are as follows :

Name of the Formulations	Earlier Price (w.e.f. March, 91)	Revised Price (w.e.f. Dec., 91)
1. Fortum Inj. 250mg.	66.21	97.69
2. Fortum Inj. 500mg.	131.93	165.61
3. Fortum Inj. 1gm.	262.83	300.38

(d) and (e) This drug is out of price control. Before custom duty reduction, the company was selling finished imported formulations and after custom duty reduction the company selling indigenously manufactured formulations based on imported bulk drug. To check whether the benefit of custom duty has been passed on to the consumer, the data has been called for from the company.

Date of filing writ petition for Flucort range of formulations

734. SHRI SANTOSH KUMAR SAHU:
SHRIMATI SATYA BAHIN:

Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 1143 given in Rajya Sabha on the 7th May, 1992 and state:

(a) when was the writ petition for Flucort range of formulation filed in the Bombay High Court;

(b) when were the parawise comments sent and when were the counter affidavit filed in Bombay High Court;

(c) what is the present position of the case and who is responsible for the delay;

(d) what steps are being taken to expedite the decision;

(e) whether it is a fact that company never implemented the prices; and

(f) so, when were the prices implemented and what was the method adopted for verifying the same?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN). (a) to (d) The writ petition against recovery in respect of Flucortnolone Acetonide was filed by M/s. Lyka in Bombay High Court in August, 1990 and the parawise comments were sent to Central Government Advocate in September, 1990. The Counter Affidavit in this case was filed by the Government in February, 1992. The hearing in this case is yet to start. The case will be defended in the best public interest in accordance with the advice of the Government's legal experts.

(e) and (f) The prices of Flucort range of formulations were fixed for the first time under DPCO, 1987 on 9.3.1990. From the records made available to the Government, it has been found that M/s. Lyka Laboratories had implemented the fixed prices w.e.f. 13.7.1990. The prices of these formulations were further reduced w.e.f. 12.10.1990 and appears that the company did not implement the reduced prices. The company has been asked to furnish the relevant details.

Cases of Drug Companies involved in misutilisation of Imports

735. SHRI SANTOSH KUMAR SAHU: Will the PRIME MINISTER be pleased to state:

(a) whether it is fact that the Department of Company Affairs references in certain cases of Drug Companes in misutilisation of imports;

(b) if so, the names of those companies about those references were received during the last three years, year-wise;

(c) what are the details of their findings and what action has been taken thereon;

(d) what is the effect of their findings in respect of the consumer price given by his Ministry and what is the extent of overcharging per annum on each drug; and

(e) what are the details of set up available by Government to examine the cost audit reports of bulk drugs and in how many cases, the prices given by his Ministry are higher than based on cost audit reports?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (c) Department of Company Affairs referring to certain cases had indicated disparity between consumption norms as published in Appendix 13c of Import Policy 1990-93 in respect of imported raw material, material required for production of certain drugs for exports and as indicted in cost audit reports of manufacturers. These are as follows:

Sl. No.	Name of company	Product involved
1	M/s. Lupin Labs Ltd.	(i) Ethambutol; (ii) Rifampicin (iii) Cethalaxin
2	M/s. Sandoz India Ltd.	(i) Thiamiulin